

Proposed Change 1 to the

Rules And Procedures

of the
Arkansas
Home Inspector Registration Board

For the
Home Inspection Industry in Arkansas



With Change 1
Adopted XXX, 2004
Effective July 1, 2004

Arkansas Home Inspector Registration Board
P.O. Box XXX
Little Rock, Arkansas 72XXX

Proposed Change 1 to the
Rules And Procedures of the Arkansas Home Inspector Registration Board
Adopted October 21, 2003 and Effective November 10, 2003

Notes:

- 1) Proposed deletions are ~~lined through~~ and proposed additions are underscored.
- 2) Extracts of text in the existing rules are included where needed to provide context to the proposed change. “...” indicates that text in the existing rules was skipped and remains unchanged. “XXX” indicates data which is not yet available but will be included in the change when published. **Bold** text is part of the formatting of the rules and has no other significance.
- 3) The Table of Contents and the Record of Changes will be updated after the changes to the body of the rules are approved by the Registration Board but prior to publication of Change 1.
- 4) Sections 803 through 808 are included in their entirety. **The Board solicits suggestions** on how to simplify the administration of the continuing education program. Depending on the nature and scope of suggestions received, revision of these sections will be included in change 1 or deferred to a later change.
- 5) The full text of the current Rules and Procedures may be read and/or printed from the Internet at: http://www.sosweb.state.ar.us/ar_rules/rule_final/198.00.03-003F.pdf

102 - Contacting the Board and Public Information Requests:

~~A. All public information requests should be directed to the Board.~~
~~B. Current information regarding how to contact the Board may be obtained by telephoning the Secretary of State at 1-888-233-0325 or 1-501-682-3437.~~

A. The Board may be contacted during business hours (8:00 a.m. to 4:30 p.m. Monday through Friday except on Arkansas State holidays,) by:

1. Telephone at: (501) 683-3710.
2. Mail (U.S. Postal Service) to: P.O. Box XXX, Little Rock, AR XXX
3. Courier deliveries or in person at: 813 West 3rd Street, Little Rock, AR 72201-2103.
4. Electronic mail (email) at: info@ahib.org

B. Requests for public information should be directed to the Board and may be delivered by any of the means in A.1 through A.4 above. Lists of currently registered home inspectors may be obtained from the Registration Board’s Internet site: **ahib.org** In addition, these Rules and Procedures and a great deal of information related to registration, blank forms, and the home inspection profession in Arkansas are available on the Board’s Internet site.

C. All requests for copies of documents under the Freedom of Information Act should be directed to the Board as in 102.A above. Such requests must describe the specific documents desired in

sufficient detail for the Board staff to readily identify them. The Board may charge a reasonable fee to recover the cost of reproducing the documents.

201 - Appointment of Board Members ~~and~~ terms of service, and election of officers:

~~202 - Administrative Support To The Board:~~

~~A. Board Staffing:~~

~~1. Initially, the Board shall rely on the Office of the Secretary of State to provide administrative support as delineated in paragraph 202.B below.~~

~~2. Upon determining that adequate resources are available, the Board may develop a staff or contract for a support organization to assume the administrative support of the Board. A written notice of intent to assume such functions shall be provided to the Secretary of State at least ninety (90) calendar days prior to the intended transfer date.~~

~~3. Qualifications and salary levels for any permanent staff positions as may be created by the Board shall be determined by the Board and vacant staff positions will be filled following proper notice and advertising of the available positions with the State Employment Security Division and in accordance with all other State statutes regarding the hiring of public employees.~~

~~B. Role Of The Secretary Of State (The Secretary): Until such time as the Board assumes all administrative functions related to its operation, the Secretary:~~

~~1. Shall be the custodian of permanent, official, home inspector registration files and shall maintain permanent records of all home inspector registration applications received since enactment of the original Arkansas Home Inspector Registration Act in 1997.~~

~~2. Shall maintain the permanent records of the board.~~

~~3. Shall receive and process applications for initial registration and renewal of registration.~~

~~4. Respond to requests for general information, applications for registration or renewal of registration, complaint forms, or copies of documents. Matters which the Secretary's staff are not prepared to respond to may be referred to the appropriate Board member(s) designated by the Board chairperson.~~

202 - Administrative Support To The Board:

A. The Board may develop a staff (of public employees or contract for a support organization) to provide administrative support to the Board.

B. Qualifications and salary levels for any permanent staff positions as may be created by the Board shall be determined by the Board and vacant staff positions will be filled following proper notice and advertising of the available positions with the State Employment Security Division and in accordance with all other State statutes regarding the hiring of public employees.

C. The staff shall:

1. Be the custodian of permanent, official, home inspector registration files and shall maintain permanent records of all home inspector registration applications received since enactment of the original Arkansas Home Inspector Registration Act in 1997.

2. Maintain the permanent records of the board.

3. Receive and process all correspondence to the Board to include, but not limited to applications for initial registration and renewal of registration.

4. Respond to requests for general information, applications for registration or renewal of registration, complaint forms, or copies of documents. Matters which the Board's staff are not prepared to respond to may be referred to the appropriate Board member(s) designated by the Board chairperson.

5. Perform other administrative duties as may be assigned by the Board.

303 - Publication of Board documents: - All public documents, to include forms prescribed in these regulations, will be available on Board provided electronic media, (Internet, disks, etc.,) and on paper. Rules and Regulations will be available on the Secretary of State's Internet site in addition to any publication by the Board. The Board may assess charge a reasonable fee for providing documents on any media other than the Internet.

~~602 - Fees:~~ Fees are hereby set as follows:

A. ~~Initial registration fee: \$250.00 per calendar year, prorated based upon date of receipt of the application and payment, as follows:~~

~~—— If date of receipt is in January through June: ——— \$250.00~~

~~—— If date of receipt is in July through December: ——— \$375.00~~

~~—— (Includes registration through December 31 of the following calendar year.)~~

B. ~~Registration renewal fee: \$250.00 per calendar year (non-prorated and non-refundable.) Deadline for receipt of the renewal application and fee is December 1 of the year in which a current registration expires.~~

C. ~~Delinquent renewal fee: Is a fee which must be paid in addition to the renewal fee for all renewal applications received after the renewal deadline of December 1 of each year. It is also imposed when document(s) to make an application complete are not received until after the renewal deadline. That fee is \$250.00 and is non-refundable.~~

D. ~~Replace lost or damaged registration certificate card: — \$15.00~~

E. ~~Fee to update Internet listing content (other than at initial registration or annual renewal): \$15.00~~

F. ~~Fee for checks returned for insufficient funds: Bank Charge plus \$10.00 (Not to exceed \$25.00)~~

G. ~~Inspector training or continuing education provider fees: (Each includes a one course, curriculum, or event agenda unless otherwise specified.)~~

~~—— Initial qualifying fee: ——— \$200.00/year (Nov 1 — Oct 31)~~

~~—— Annual renewal fee ——— \$150.00/year (Nov 1 — Oct 31)~~

~~—— Additional course filing fee: ——— \$25.00~~

~~—— (Per course, curriculum, or single event agenda.)~~

602 - Maximum Fees: The **maximum** fees allowed under the Act are:

- A. Registration and registration renewal fee: \$300.00 per year.
- B. Delinquent renewal fee up to but not to exceed the renewal fee.
- C. Replace lost or damaged registration certificate card: \$25.00
- D. Change of Address fee: \$25.00
- E. Fee for checks returned for insufficient funds: \$25.00
- G. Inspector training or continuing education provider fees: (Each includes a one course, curriculum, or event agenda unless otherwise specified.)

Initial qualifying fee:	\$200.00/year
Annual renewal fee	\$200.00/year
Additional course filing fee:	\$25.00
(Per course, curriculum, or single event agenda.)	

603 - Current Fees: Until further notice, fees are hereby set as follows:

- A. Initial registration fee: \$250.00 per calendar year, prorated based upon date of receipt of the application and payment, as follows:

If date of receipt is in January through June:	\$250.00
If date of receipt is in July through December:	\$375.00

(Includes registration through December 31 of the following calendar year.)

- B. Registration renewal fee: \$250.00 per calendar year (non-prorated and non-refundable.) Deadline for receipt of the renewal application and fee is December 1 of the year in which a current registration expires.

- C. Delinquent renewal fee: Is a fee which must be paid in addition to the renewal fee for all renewal applications received after the renewal deadline of December 1 of each year. It is also imposed when document(s) to make an application complete are not received until after the renewal deadline. That fee is \$250.00 and is non-refundable.

- D. Replace lost or damaged registration certificate card: \$15.00

- E. Fee to update changed address or Internet listing content (other than at initial registration or annual renewal): \$15.00

- F. Fee for checks returned for insufficient funds: Bank Charge plus \$10.00 (Not to exceed \$25.00)

- G. Inspector training or continuing education provider fees: (Each includes a one course, curriculum, or event agenda unless otherwise specified.)

Initial qualifying fee:	\$45.00/year or part of year.
Annual renewal fee	\$15.00/year (Nov 1 - Oct 31)

Additional course filing fee: \$25.00

(Per course, curriculum, or single event agenda.)

701 – Requirements For All Applicants: All applicants shall submit to the board:

A. ~~An~~ A completed application, on a form prescribed by the Board. No person who is registered under one (1) name as provided in these regulations shall engage in business as a home inspector under any other name unless the other name(s) is also included on the most recent application and is also registered.

B. The original copy of a current certificate of insurance, issued by an insurance company licensed, or surplus lines approved, to do business in the state of Arkansas, showing that the applicant has procured general liability insurance in the amount of at least one hundred thousand dollars (\$100,000.00) (If a current certificate is already on file with the Board, note that fact on the application and submit a new certificate not later than the renewal date of the policy.) The certificate must include the following information:

1. Name and address of the insured.
2. Name, business address, and telephone number of the person and agency issuing the certificate.
3. Name of the firm providing the insurance.
4. Coverage being provided (a minimum of \$100,000 general liability.)
5. The insurance policy number.
6. The “Arkansas Home Inspector Registration Board, P.O. Box XXX, Little Rock, AR 72XXX” named as the certificate holder.
7. The effective dates of the coverage.
8. Signature of the issuing agent.
9. Cancellation and notification requirements as specified in §17-52-318(a) & (b) of the Arkansas Code Annotated.

C. The required registration or registration renewal fee (see paragraph 602 above,) shall accompany the application. Applications received with the appropriate fee may be returned without action.

704 – Certificates of Registration: Certificates of registration shall be issued to an applicant after compliance with the registration or renewal requirements of this section ~~and approval by the board.~~ No registration or renewal of registration will be issued if any the requirements in this section are not fully complied with.

A. ...

706 - Renewal Of Lapsed, Suspended, Or Otherwise Inactive Registrations: ~~(To be published at a later time.)~~

A. Applicants whose registration has lapsed (because it was not renewed or the required insurance was allowed to expire,) and are not in an official inactive status shall accomplish the following as a prerequisite to reactivation of their registration:

1. File an application for renewal of registration.
2. Pay the renewal fee.

3. Pay the delinquent registration fee.
 4. Provide proof, acceptable to the Board, of having completed continuing education, provided by an approved source, during the period when his registration was expired:
 - a. 14 hours if his registration as been expired for 12 months or less.
 - b. 14 hours plus 7 hours for each year (or portion thereof) longer than one year of expired registration.
 5. Comply with all other requirements of a normal registration renewal.
 6. Provide copies of the reports for the last three inspections completed prior to the expiration of their previous registration. Such reports will be reviewed by the Board for compliance with the Standards of Practice.
- B. Upon receipt of the applicants' properly prepared renewal application and the supporting documents specified in 706.A above, a member(s) of the Board shall review the inspection reports submitted. If the reports are in substantial compliance with the Standards of Practice, the registration renewal shall be approved and a registration certificate issued to the applicant. If the reports do not comply with the Standards of Practice, the applicant will be advised of the deficiencies. The Board may at that time require or provide remedial training and/or may issue a conditional registration which is contingent upon submission of reports of new inspections. Once the inspector has demonstrated he properly conducts and reports inspections, his registration shall be made unqualified.
- C. Should an inspector fail those actions in 706.A and 706.B, he may be denied renewal of his registration. In such instances, fees paid, less a \$100 processing fee, shall be refunded to the applicant.

707 – Renewal of Suspended, Revoked, Or Surrendered Registrations: See Sections 1203 and 1204.

708 – Inactive Registration Status:

A. A home inspector whose registration is in good standing, may place his registration in an inactive status at any time. The request for inactive status shall be submitted on a form prescribed by the Board. The maintenance of that status is dependent on the inactive inspector continuing to renew that status annually at the same time and under the same constraints that are imposed on other registered home inspectors. The inactive status requires renewal of the status with the board and payment of \$25.00 (twenty five dollars) annually and no other requirements. The Board will mail renewal

notifications to the last address provided by the inactive inspector at the same time it notifies Registered Inspectors of their renewal requirement.

B. The inactive inspector may be returned to an active status provided he files for registration renewal with the Board. That application shall be plainly identified by the inactive inspector as a reactivation registration. He shall follow all of the provisions of 706.A above except that he shall not be required to pay a delinquent renewal fee.

C. The Board shall have the authority by a majority vote to waive or modify these renewal requirements based on a written appeal to the Board by the inactive inspector. A written description of the actions taken by the Board on any such waiver or modification shall be signed by the Board chairman and made a permanent part of the inspector's registration file.

D. Inactive inspectors must reactivate their registration before they are eligible to again conduct home inspections in Arkansas.

707 709 – Notification Of Impending Expiration of Registration: The Board shall mail a notice ...

709 710 – Reciprocal Agreements With Other Political Entities: ~~(To be published at a later time.)~~

The Board may consummate written, reciprocal agreements with home inspector regulatory agencies in other political entities. Such agreements may allow acceptance or issuance of registrations or licenses to home inspectors to allow them to work in both jurisdictions. Such agreements shall not waive any Arkansas requirements. Should requirements for Arkansas home inspectors be subsequently adopted which conflict with the reciprocal agreements, those agreements must be modified accordingly.

Recommendations to simplify sections 803 through 809 (below) and their administration are solicited:

803 - School And Course Approval For Continuing Education: Each school, institution or organization desiring to offer continuing education courses for home inspectors shall submit a formal filing to the Board for each course for which approval is sought.

A. The filing for each course shall include, but not be limited to, the following:

1. Name and Address of provider or sponsor.
2. Proposed location of classroom and dates of training.
3. The topics to be offered, the instructors for each, and the number of clock hours for each topic.
4. Instructor lecture outlines and copies of any handout materials or texts to be provided to the students.
5. Resume for each instructor. It must include name and address and any other pertinent contact information plus information which establish his expertise to teach the subject.
6. For seminars that will provide 50% or more of the annual continuing education requirement, a seminar brochure will also be provided.

7. Copies of an advertising plan and of advertisements to be used.
 8. A copy of the certificate or affidavit which will be provided to the inspector after completion of the course/seminar.
 9. Detailed information about tuition or other costs to attend the training event.
- B. Approval, Conditional Approval, or Non Approval by the Board:
1. Approvals shall be forwarded to the school as submitted.
 2. Conditional Approval shall allow the school to continue to proceed with the education presentation provided they correct Board stipulated deficiencies prior to the date of presentation and receive final approval from the Board.
 3. Non Approval shall require the proposed training to be halted and a new submission made to the Board. The Board shall cite the major deficiencies in the proposed training.
- C. Non-profit professional home inspector organizations and corporations may be exempt from Inspector training or continuing education provider fees as set forth in paragraph 602 above. However, they must submit a properly completed application for approval as a continuing education provider, accompanied by copies of their charter, by-laws, incorporation papers, or other documents, acceptable by the Board, which clearly and unequivocally demonstrates a non-profit character for their organization.
- D. For-profit firms, organizations, and corporations must submit a properly completed application for approval as a continuing education provider accompanied by the Inspector training or continuing education provider fees specified in ~~602~~ 603 above.
- E. No course of less than one (1) hour will be approved.
- F. Correspondence and other distance learning courses may be permitted for continuing education credit as approved by the Board.
- G. Each school, institution or organization shall submit an updated course filing containing any changes from the previous offering within each two year period from original approval date.

804 - Course Content:

- A. The content of continuing education programs shall be consistent with current home inspection licensing laws and with inspection practices that are broad-based and essential to the role of a home inspection general practitioner. The content shall directly relate to home inspection principles and practices such as described in these regulations or to new developments in the fields for which licensees home inspectors have a demonstrated need.
- B. The Board shall not approve offerings in mechanical office and business skills such as typing, speed-reading, memory development, personal motivation, salesmanship, sales psychology, sales promotions or other meetings held in conjunction with the general business of a home inspector. Generally, acceptable courses may include, (but are not limited to) these topics related to residential real property of four or less residences:
1. Home inspection laws and regulations;
 2. Structural systems;
 3. Foundations;
 4. Interior walls, doors, ceilings and floors;
 5. Exterior wall claddings and doors, windows, and door glazing;
 6. Solid fuel heating devices and chimneys;
 7. Roof coverings, roof structure, and attic;
 8. Porches and decks;
 9. Mechanical systems (heating, piping and cooling solar work);
 10. Inspection guidelines for appliances;
 11. Inspection guidelines for house air heating and cooling systems;
 12. Inspection guidelines for ducts, vents (including dryer vents) and flues;
 13. Plumbing systems

14. Inspection guidelines for plumbing systems and their components (drain, waste, vent, water, gas);
15. Electrical systems (for heat, light, power, system controls, and other purposes);
16. Electric service entrances and panels, branch electrical circuits, connected devices and fixtures;
17. Home inspection documents, forms, contracts, warranties;
18. Water supply systems (drilled wells/community water supplies);
19. Fire protection sprinkler systems;
20. Report writing, and legal ramifications of report content.

805 – Submission of Approval Requests: Requests may be submitted at any time but must be received by the Board not later than September 15 to be included in the initial *Approved Continuing Education Provider* list for the following training year. That list will normally be published and made available to registered inspectors during the first week of November each year. The list will be updated periodically throughout the year. Requests related to a specific event must be submitted at least 45 calendar days prior to the event to allow time for the Board to act on the request. Any approval granted shall be for a maximum of one year. Approval for one period, does not guarantee approval for any other period.

806 - Notification Of Continuing Education Course Offering And Locations:

- A. Each school, institution or organization conducting an approved course shall, at least ten days prior to the first scheduled session of each course, submit to the Board a schedule of the dates, hours, locations, tuition fees and instructors for each course to be offered. No courses shall commence, or be advertised as approved, without prior written approval of the Board. There shall be no change or alteration in any approved course without prior written notice and approval of the Board. Course approval may be withdrawn for failure to comply with the provisions of these regulations.
- B. Each school shall submit a listing identifying all locations where courses are offered to the Board for prior approval. Each course of study shall be conducted in a classroom or other facility which is adequate to implement the offering.

807 - Advertising Restrictions: All schools advertising continuing education courses shall comply with the following requirements:

- A. All advertising and written or oral statements shall avoid the use of exaggerated or un-provable claims and misrepresentations. In discussing or describing a student's possible or potential economic future in the field of home inspection, no misleading or deceptive claims may be made.
- B. In advertising, no school, institution or organization shall use the wording "Approved by the Board" or other like wording. The following wording may be used: "This continuing education course meets the minimum requirements as set forth by the Arkansas Home Inspector Registration Board".

808 – Attendance Policies: Providers of Continuing Education shall have and adhere to a published attendance policy. As a minimum, the policy shall provide that a student not be absent more than fifteen percent of the approved hours of training

- A. Attendance shall be accurately recorded in no more than two (2) hour increments.
- B. Programs of study will be reported in clock hours.

809 - Documents To Be Provided To Continuing Education Participants by the Provider:

Certificates will be provided to all inspectors ~~attending~~ successfully completing continuing education.

- A. Those certificates will contain the following information: Name of school, provider or sponsor. Name of student with Arkansas registration number. Course Title and approval number assigned by the Board. Course location. Number of approved continuing education hours and Signature of approving authority and/or instructor.
- B. The certificates shall be no smaller than 4x5 inches nor larger than 8½ x11 inches.
- C. Continuing Education providers will maintain copies of the documents which include Board approval of their education offerings and academic records for all students who enrolled. Likewise the records must identify those students who successfully completed the educational offerings. Those records must be retained at least two years.

1101 –Procedure For The Board’s Handling Of Complaints Against A Home Inspector: - The board will consider a complaint against a home inspector provided the following have been complied with:

- A. ...
- E. Should the parties to a complaint reach resolution of the complaint prior to final action by the Board, the complainant, shall notify the Board in writing. The notification shall include a description of the resolution. Such resolution shall be cause for the Board to cease any further action on the complaint. However, the Board may pursue discipline under Section 1200 below.

1102 – Procedure For Complaints Against Persons Not Registered:

A. Anyone who is aware of a person holding himself out to be a home inspector in Arkansas who is not believed to be properly registered may file a complaint against that person on AHIRB Form C1. Upon receipt of such a complaint, the Board or its representative will:

- 1. Acknowledge receipt of the complaint in writing to the person filing it.
- 2. Determine whether the Board holds any record of the alleged offender ever having applied for registration or having been registered.
- 3. Conduct other investigation of the circumstances described in the complaint as needed to support or disprove that a violation of the Registration Act has occurred.

B. Based upon the information developed in their investigation, the Board may :

- 1. Dismiss the complaint.
- 2. Issue a Cease and Desist letter to the offender.
- 3. Request the alleged offender appear in front of the Board for counseling or other corrective action as deemed appropriate by the Board.
- 4. Choose to conduct a hearing under the provisions of Section 1200 of these Rules and Procedures.

C. When action regarding a complaint has been completed, the person filling the complaint shall be notified in writing and as prudent, the actions taken will be described.

1202 – Adjudication: These rules shall apply in all administrative adjudication conducted by the Board. These procedures will be the process used by the Board to formulate orders, for example, an order revoking a registration or imposing civil penalties.

A. Presiding Officer: - "Presiding Officer" means the person who presides at a hearing. The Board will designate a hearing officer, the Board Chair, or other qualified person as the presiding officer.

B. Appearances: - Any party who appears in any adjudicatory proceeding has the right, ~~at his own expense,~~ to be represented by counsel at his/her own expense.

C.